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- (e) 7 CFR part 3019, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations; and
- (f) 7 CFR part 3052, Audits of States, Local Governments and Non-profit Organizations.

§ 1709.20 Member delegate clause.

Each grant agreement under this part shall provide that no member of Congress shall be admitted to any share or part of a grant program or any benefit that may arise there from, but this provision shall not be construed to bar as a contractor under a grant a publicly held corporation whose ownership might include a member of Congress.

§1709.21 Audit requirements.

The grantee shall provide the Agency with an audit for each year, beginning with the year in which a portion of the financial assistance is expended, in accordance with the following:

- (a) If the grantee is a for-profit entity, an RUS Electric or Telecommunication borrower or any other entity not covered by paragraph (b) of this section, the recipient shall provide an independent audit report in accordance with 7 CFR part 1773, "Policy on Audits of RUS Borrowers" and the grant agreement.
- (b) If the grantee is a State or local government, or a non-profit corporation (other than an RUS Electric or Telecommunication Borrower), the recipient shall provide an audit in accordance with 7 CFR part 3052.

§1709.22 Project changes.

The Grantee shall obtain prior written approval from the Agency for any change to the scope or objectives of the approved grant project.

§§ 1709.23-1709.99 [Reserved]

§ 1709.100 OMB control number.

The information collection requirements in this part are approved by the Office of Management and Budget and assigned OMB control number 0572–0136.

Subpart B—RUS High Energy Cost Grant Program

§1709.101 Purpose.

This subpart establishes policies and procedures for the Rural Utilities Service (RUS) High Energy Cost Grant Program under section 19(a)(1) of the Rural Electrification Act of 1936, as amended (7 U.S.C. 918a(a)(1)). The purpose of this grant program is to assure access to adequate and reliable energy services for persons in extremely high energy cost communities by providing financial assistance to acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities serving the community.

§ 1709.102 Policy.

- (a) All high energy cost grants will be awarded competitively subject to the limited exceptions in 7 CFR 3015.158(d).
- (b) RUS may give priority consideration to projects that benefit smaller rural communities, communities experiencing economic hardship, projects that extend service to households that lack reliable centralized or commercial energy services, and projects that correct imminent hazards to public safety, welfare, the environment or critical community energy facilities. RUS may also give priority to projects that are coordinated with State rural development initiatives or that serve a Federally-identified Empowerment Zone or Enterprise Community (EZ/EC) or a USDA-identified "Champion Community." Priority consideration will be provided through the award of additional points under the project selection criteria as specified in the grant announcement.

§§ 1709.103-1709.105 [Reserved]

§ 1709.106 Eligible applicants.

- (a) Eligible applicants for grants to fund projects serving eligible extremely high energy cost communities include Persons, States, political subdivisions of States, and other entities organized under the laws of States.
- (b) Eligible applicants may be forprofit or non-profit business entities